

Leadership Forums, Symposia, and Roundtables

NCCIC State Technical Assistance Audioconference Report Recruitment, Retention, and Compensation of the Early Childhood Workforce

October 24, 2001

On October 24, 2001, the National Child Care Information Center (NCCIC) coordinated the second in a series of audioconferences in response to numerous requests from states for information and technical assistance on the issue of early childhood workforce recruitment, retention, and compensation, particularly compensation tied to professional development. Participants from more than 25 states and territories participated on this call, which built on the broader discussion that took place during the June 18, 2001 audioconference that focused on state strategies and approaches, funding issues, and evaluation considerations.

While not inclusive or exhaustive of all the efforts taking place nationwide, this second discussion served as a snapshot of state strategies and approaches, focusing on local involvement in workforce programs, leadership building, strategic planning, funding and sustainability. **Marci Young**, Center for the Child Care Workforce (CCW), Washington, DC, and **Susan Rohrbough**, NCCIC State Technical Assistance Specialist, co-facilitated the audioconference.

Presenters

North Carolina	Washington	Wisconsin
Peggy Ball , North Carolina Department of Health and Human Services	Rachael Langen , Washington State Economic Services Administration	David Edie , Wisconsin Department of Workforce Development
Sue Russell , Child Care Services Association		Kath McGurk , Wisconsin Department of Workforce Development

Overview of the Issues

Marci Young commented that the three states profiled in the audioconference have targeted wages and

benefits as a vehicle for improving the delivery of child care services. Because of the uncoordinated nature of the child care system, modifications and adjustments are imperative to meet the varying needs of different communities as well as the diversity within the workforce itself. Young stated that the child care staffing crisis is a function of the convergence of two important phenomena. First, in the absence of public investment, parents cannot afford to pay what good care costs—they cannot afford what it costs to attract and retain staff. Second, in a tight labor market, the lowest paid fields have the most difficulty attracting workers. Sue Russell agreed, stating that it is critical to continue to look for strategies that de-couple what parents can afford to pay and what child care providers need to be paid to provide quality care.

State Support of Local Efforts Target on Quality

While North Carolina, Washington, and Wisconsin are engaged in broader state initiatives on this issue, they also are supporting a variety of initiatives at the local level, including efforts focused on recruitment, retention, and compensation. Many of these efforts to build and sustain a child care delivery system that provides quality services help subsidize the costs of doing business for the provider, whether it be through paying for training, upgrades to the facility or family child care home, or direct increases to wages. Fiscal support for these initiatives comes from the full range of funding sources including the Child Care and Development Fund (CCDF), Temporary Assistance to Needy Families (TANF), state, local, and private funds.

In Washington state, said Rachel Langen, most recruitment, retention and compensation efforts, including the Career and Wage Ladder Pilot Project (discussed in the June 18, 2001, Recruitment, Retention and Compensation of the Early Childhood Workforce Audioconference Report, also available from NCCIC) have been initiated at the state level using CCDF and TANF dollars. However, Seattle, which is part of King County, has Project Lift Off, a county-wide initiative to create a high quality, affordable early learning and out-of-school-time system for all children and youth. Project Lift Off combines city, county and private funds into a facility fund. This Child Care Facility Fund is a public/private partnership that provides loans and grants to child care providers who are just starting out, as well as providing business training to new providers. The training is focused on the knowledge of child care directors in developing budgets that reflect the full and the actual cost of care. In addition, Seattle's Steps to Quality program provides cash incentives to help providers progress along a continuum of education.

Seattle and King County are the only two communities that have local subsidy programs to help families access child care. They are collaborating with the state in a particular area of Seattle/King County to have a common application form for subsidies. Then the city is also helping pay the co-pays for the state-subsidized families who cannot afford those fees. The goal is not only to help families access care, but also to help the providers afford to accept state subsidies and not further subsidize the cost of care out of their own pocketbooks.

King County has a specific compensation project that is similar to Washington's Career and Wage Ladder Pilot Project. Participating centers receive a monthly reimbursement of up to \$1 per hour per employee for wages, and in exchange, the centers give providers specific benefits such as medical, dental, sick leave, vacation leave and a retirement plan.

Washington state puts out contracts or issues an Request for Qualifications and Quotations and in most areas contracts with the child care resource and referral agencies for recruitment and retention services.

For example, in addition to business training for providers, the child care resource and referral agencies have also created substitute banks. This allows both child care centers and family child care providers to call the child care resource and referral agency and get a substitute.

At the national level, said Dave Edie, there has been a move towards local control and devolution of child care responsibility, but Wisconsin has moved in the other direction, towards standardizing programs at the state level. Wisconsin has moved toward a single state subsidy system with one set of rules and one automated system with local implementation. The state also moved from pilot projects and small grant programs toward consolidating its quality improvement efforts in statewide systemic programs. In the last budget, there was a structural deficit in which the state could not sustain what it had and a lot of programs were cut; however, the child care subsidy program and efforts around child care retention and salary both received major increases. Systematizing the programs over time so that they are easily understood makes a big difference.

Edie expressed that local efforts are important, even when there is a statewide program. Wisconsin's recruitment, retention, and compensation efforts appear to be successful because the state has extensive involvement at the local level. For example, the Wisconsin Early Childhood Collaborating Partners, a large coalition that has been operating for over eight years, includes over 40 major child care and early education agencies and organizations who have endorsed the principles, the vision and the objectives of that group. This provides a framework for what Wisconsin does. The Wisconsin Early Childhood Collaborating Partners is now developing regional groups to try to increase grassroots involvement. In addition, the Wisconsin Department of Workforce Development has a Child Care Council that provides recommendations on what direction they should take. In Wisconsin, \$17 million has been directed toward local governments, which empowers local governments since they have broad discretion in how to spend that money, said Edie. A number of local communities such as Madison and Milwaukee are focusing on recruitment, retention, and compensation. In Milwaukee, the public schools put up match dollars with a local early childhood council deciding how to spend the funds. Much of that money is going toward staff development, for stipends for staff in the R.E.W.A.R.D.TM Program, and toward trying to achieve accreditation among a wide group of providers. In some small communities, they are putting the money into health coverage for child care workers.

Similar to Washington, many of the programs in North Carolina that have been implemented at the state level actually were initiated at the local level, including the T.E.A.C.H. (Teacher Education and Compensation Helps) Early Childhood Project and the Child Care WAGES® Project. North Carolina views its local communities and local efforts as laboratories for learning about how the state can address complex issues. North Carolina's Smart Start has brought significant planning and strategic development to the local levels where communities come together and try to address various issues around early care and education, including recruitment, retention, compensation, and the education of the workforce. As a result, Smart Start has been a catalyst for a number of things. Its focus has been around communities identifying the needs and issues in terms of improving early care and education services for young children, and identifying and providing resources. At the local level, communities are responsible for reviewing available resources, but also are given a large amount of resources through the state government to address some of these needs and issues.

In North Carolina, almost every community in the state has done an early childhood workforce study to examine local issues. It is through this understanding of who makes up the workforce that strategies have been developed. At the local level, there have been other initiatives such as special bonuses and grants

for child care programs with better educated staff, those who are working on better levels of licensure or accreditation, and those using signing bonuses as a strategy to recruit providers into the field.

Funding Sources Used

Washington has used significant amounts of its CCDF and TANF funds (through TANF caseload savings, called TANF Free Investment in Washington) for the subsidy program and also to support the early childhood profession. The state has used CCDF quality dollars and state funds that Gov. Gary Locke provided for targeted recruitment and has conducted numerous retention activities, such as scholarships for providers to attend required trainings and conferences (funded through TANF caseload savings). The Governor recently announced that some additional TANF Free Investment dollars would be used to help fund the T.E.A.C.H Early Childhood Project. The T.E.A.C.H Early Childhood Project had been privately funded through the child care resource and referral agency and the Early Learning Foundation. The Governor is committed to early childhood and has shown the biggest interest in compensation, specifically in the Career and Wage Ladder Pilot Project. It has been funded at \$4 million and Governor Locke decided to devote an additional \$5 million to expand the program. Local funding resources include a family support tax in Seattle that has allowed the city to fund several family service initiatives, including child care.

In Wisconsin, the two big sources for funding are CCDF and TANF. The overall child care budget—at more than 70%—is funded through TANF. Edie commented that it is better to use TANF on the subsidy side where there is income eligibility, rather than on the staff retention side where you have TANF rules that require use at certain income levels. Although there is some flexibility where states set those, Wisconsin feels it is simpler to keep them separate and use the CCDF dollars for quality initiatives and the TANF dollars for subsidy. Wisconsin also is contributing CCDF dollars toward subsidy.

North Carolina spent about \$400 million last year on subsidy; a third of that came from TANF, a third from Smart Start, and the remainder from CCDF and state funds. North Carolina takes a systemic approach to how it determines what it will fund and the funding sources. North Carolina uses the TANF funds for subsidy, increasing its quality funds out of CCDF and using those for the T.E.A.C.H Early Childhood Health Insurance Program, which is tied to the education of the recipient. T.E.A.C.H scholarship dollars come out of state funds. This initiative is strongly supported by the legislature, which views the initiative as dollars that return to the state—the state invests dollars in the scholarships and the students attend state colleges. Both the T.E.A.C.H Early Childhood Project, and the T.E.A.C.H Early Childhood Health Insurance Program receive large amounts of corporate and foundational support. Smart Start is funded with state dollars and Smart Start funds the Child Care WAGES® Project, although a small amount of CCDF dollars is used for program administration. The Child Care Services Association and Smart Start access a lot of private funds that help to supplement North Carolina's initiatives.

Strategic Planning

Recruitment, retention, and compensation issues need to be addressed in different ways depending on the community. A strategic planning process helps identify a community's particular needs and resources available to address these issues.

Washington's Child Care Coordinating Committee—the Coordinating Council Advisory Group—is using \$200,000 in funding for a 12-month strategic planning process, which includes a focus on

recruitment, retention and compensation components. The contractor was asked to help Washington identify needs, assets, gaps and outcomes, building on work already done, to develop a framework for continuous improvement of those system components, and to identify areas where more coordination is needed. The goal is to develop a comprehensive, written plan for a fully funded and integrated system—part of the vision of a 10-year plan to move Washington toward a child care system reflecting the true cost of care.

North Carolina has invested a lot of money in Smart Start, and the state has now moved to setting standards and expectations for communities at the local level in terms of education, compensation and retention of the early childhood workforce. With Smart Start, there has been a requirement that local boards do strategic planning around building an effective, high quality early childhood system at the local level. As a result, the local partnerships go through the strategic planning process to identify needs, strengths, resources and barriers, and to devise strategies to address them, ultimately with the goal to evaluate the effectiveness of those strategies.

In their planning process, communities have to address specific expectations about the early childhood workforce, setting expectations about the education of the workforce, about the percentage of the workforce that is insured or that is paid at a certain level, or about the percentage of turnover within a given year. Communities will be graded on whether they meet, fail to meet, or exceed their standard. The state, said Russell, has given local communities the opportunity to plan, and has provided many resources both at the local and at the state levels to do so; the state now wants to evaluate where the communities are in this process. To the extent that they are not performing in these critical areas, they will have to redirect their strategies to address deficiencies. A major statewide and local workforce study will include 100 individual workforce studies for all 100 counties.

Edie commented that Wisconsin may be a little more top-down in terms of the final initiatives than some other states, and believes that sometimes state departments need to assume leadership because they often understand better than local groups the realities of a particular budget and have dealt with many of the political leaders. Wisconsin has a lot of broad-based planning underway by a wide range of people across departments and across the state. The Department of Workforce Development put together plans that they thought had a chance to get through the legislature and then tried to build support around them or adjusted them based on advice. They have had relatively good success with that approach. It is believed that the budget initiatives need to be easily explained, have solid data supporting them, and have support across legislative districts. Wisconsin does not have projects that serve limited areas in the state. Wisconsin has a systemic research project in a partnership between the state office, the state university, and child care resource and referral network agencies to collect good data on the child care workforce that can be used for future planning.

In Washington, everyone is included in the strategic planning process; Head Start and the state-funded preschool program are at the table. In North Carolina, when Smart Start conducts its strategic plans at the local level, it includes Head Start, child care teachers, directors, family child care providers, Pre-Kindergarten, public Pre-Kindergarten, community colleges, and universities. In Wisconsin, the collaborating partners include Head Start, preschool, public schools, and child care (including family child care). The planning is very broad-based and attempts to break down barriers across those groups to look at common goals.

In North Carolina, through the Smart Start initiative, the lack of substitutes has been continually

identified as a result of various local communities' strategic planning efforts. As a result, there are several communities that have started substitute pools through their child care resource and referral agencies. Some of them are fully paid for by the child care providers; elsewhere, the cost is subsidized. There is an AmeriCorps program in Durham and Orange counties designed to provide release times for teachers to continue their education. As part of a retention plan, the child care resource and referral agency in Olympia, Washington, maintains a pool of on-call providers. Child care centers and family child care homes pay a subscription fee to belong to the substitute bank. The child care resource and referral agency may subsidize the wages.

Supporting, Sustaining, and Building Child Care Leadership

The three states participating on this call have recognized that building a quality child care workforce takes a sustained vision and continuous work through leadership at all levels of the system. Hence, ways to grow and support child care leaders in the field are an important aspect of the work these states are doing to improve the child care workforce.

Part of a state's role in building leadership is providing the tools to help individuals become leaders. As a state and within the local communities, North Carolina has been moving towards rebuilding the child care profession; as a result, the workforce is beginning to stabilize, experiencing less turnover and acquiring more education. The education piece is critical to building the profession. The state now has teachers who are serving as licensing consultants for the state; teaching in community colleges; becoming directors; serving on Smart Start Boards; and providing leadership in their child care associations across the state and in local communities.

For example, North Carolina has supported the development of mentoring and leadership courses through coursework within their universities and community colleges. The North Carolina Institute for Early Childhood Professional Development is working on this, and has set up a task force on mentoring and leadership. A new group of early childhood advocates is emerging who often are the recipients of services such as T.E.A.C.H. ^â and WAGE\$[®] and go on to become grassroots leaders in the effort to call attention to workforce needs.

In Washington, child care resource and referral agencies have played a large role. Seattle and King County have a rich history of local child care partnerships, and they have some visionary local government staff who have advocated for programs both locally and at the state level, using local tax structures to raise some of the funding. The Seattle area also has several ethnic and cultural child care task forces that have taken leadership roles in improving child care quality for their communities. In Spokane, a group called Child Care Initiatives, with the help of the child care resource and referral agency, recently received private funding from the Paul Allen Foundation to help with strategic planning, a central focus of which is retaining child care providers.

Involving Higher Education

In North Carolina, higher education institutions have been a key partner in the state's workforce efforts. The T.E.A.C.H. Early Childhood ^â Project started through the community colleges. The state's system of 58 community colleges expanded to ensure that every community college offered an Early Childhood Associate Degree program, which incorporated the Early Childhood Teacher Credentials and Administrator Credential into their curriculum. The community colleges also negotiated articulation agreements with the four-year colleges and universities. Higher education is also a key player in the

North Carolina Institute for Early Childhood Professional Development, a consortium effort focused on planning around the education and compensation of the workforce. In this capacity, community colleges and universities are strong players in building an effective system in many dimensions, by helping them think through both the system needs and opportunities as well as system barriers.

Washington has funded some articulation projects with its community college system; the Head Start State Collaboration office will soon release funds to facilitate the community colleges' articulation agreements with the four-year institutions. In Washington, the four-year institutions are involved in some of the research that contributes to some policy decisions. For example, the University of Washington has examined financing models and conducted studies on care through family, friends, and neighbors. In addition, through Washington's STARS (State Training and Registry System) Program, community colleges are both sources of trainers and training.

The Wisconsin Early Childhood Collaborating Partners created a professional development group that looked at a coherent education effort in the state for early childhood. Former Gov. Tommy Thompson announced that he wanted to have "2 plus 2 agreements" between technical colleges and universities so that courses in early childhood could articulate between the two systems, and those agreements are now forming across the state.

Wisconsin's Infant/Toddler Credential is operating in 14 of the 16 districts of the technical schools.

Recruitment Strategies

Washington uses some of its TANF savings to fund \$3 million per biennium for food programs for some of those family home providers that no longer participate in the USDA food program. The providers receive incentive pay to either continue as family child care providers or to become family child care providers. In addition to a signing bonus, they are also provided funding that helps them subsidize the cost of feeding the children in their care.

In 1990, North Carolina produced *Careers in Early Childhood*, a guide that mapped out job opportunities in the early childhood field. As a method of building the profession, this guide was distributed to every high school counseling office, community college, and university in the state.

Through the T.E.A.C.H Early Childhood Project, there are eight different scholarships; one of them, the Teach Early Childhood Scholars program, is specifically designed to attract new providers to the field. Through this program, students in their last two years of a four-year education working on a degree in child development have the opportunity to receive a stipend for every semester of their last five semesters. In return, when the student graduates, s/he agrees to work in a licensed child care setting six months for every semester that s/he received this stipend. North Carolina is expanding this option, and it will be a major effort in the next year to significantly increase the pool of teachers with bachelor's degrees in child development, as well as some with Birth to Kindergarten Certification, who will have made a commitment to work in licensed child care.

North Carolina's T.E.A.C.H Early Childhood Health Insurance Program reimburses child care programs to support teachers to go back to school on a T.E.A.C.H. scholarship. The program provides reimbursement for a third of the cost of health insurance for all staff. A recent evaluation of this program revealed that turnover dropped from 35 percent to 25 percent after participating in the Health Insurance Program. Based on these results, there is interest in expanding the program; however, resources are

scarce. In Washington, the Career and Wage Ladder Project requires some base level of benefits, including annual leave and health benefits.

Data Collection Efforts

Washington State University is evaluating Washington's Career and Wage Ladder Project, and is collecting data on the impact of increased wages and experience.

In North Carolina, in addition to the workforce studies, the state has data from recipients of both the T.E.A.C.H Early Childhood Project (5,000 participants) and the Child Care WAGES® Project (8,500 participants), tracking over time recipients' education, compensation, and retention. This provides a sense of both the impact of a project on these issues, as well as a sense of what impact that project can have on the overall workforce. North Carolina attributes its statewide drop in child care workforce turnover to these major initiatives.

Wisconsin has conducted four workforce studies and, like North Carolina, it is able to examine patterns over time. Additionally, several of Wisconsin's child care resource and referral agencies collect and track this data. Wisconsin anticipates good data from its T.E.A.C.H Early Childhood Project and the R.E.W.A.R.D.™ Program, and will examine the impact of these programs. The state is planning an attempt to measure which programs are having an impact.

Russell commented on the critical importance of data; how well we collect it, how routinely we collect it, how we use it to make the case, how we use it to evaluate what we do, and how we use it to build better, stronger strategies in the process.

Next Steps

Washington is facing a budget shortfall and will need to get the local areas to take more ownership and find local funding. Washington plans to target the funds it does have on a systems approach. Head Start and the local preschool initiative have done geomapping. If they superimpose where the child care settings are, they can do targeted recruitment to fill the gaps. They plan to continue to improve their subsidy system both from a rate standpoint so that their families truly have access to high quality care, but also to support the providers receiving the subsidy dollars through increased technology. There is a need for better communication between the early childhood and K-12 systems, said Langen. Parents also need to be involved so they understand the value of high quality child care and then can serve as advocates for those who are caring for their children in their communities.

Russell stated that it is clear we do not have enough resources supporting recruitment, retention and compensation of the workforce. There are about 18 states implementing T.E.A.C.H and about \$25 million this year will be spent on T.E.A.C.H, yet it is not enough. There are many states that want to develop an initiative, but do not have the resources. Russell commented that the field needs to think not just about looking to the local dollar or the state dollar for funding, but also looking to the federal dollar to help with this critically important arena of improving quality for our young children.

Eddie commented that one of the best strategies is to try to focus on programs that have a record of success and that are getting recognized, such as the T.E.A.C.H Early Childhood Project, R.E.W.A.R.D.™ Program and the Child Care WAGES® Project, and continue to fine-tune and expand those programs. Concern was expressed that there are many initiatives that we can engage in and, as a result, we dilute our political impact if we do not focus on some core programs that are systematic and

build support and expansion for those programs. It takes years for legislators, governors, and policy-makers to really understand some of these programs and if we keep shifting them, it is difficult. We need to have a long-term vision of some programs that are going to be core programs. We have such a good start, thanks to North Carolina and other states that have done early work on some of those programs, to focus on those and get them fully implemented so that we have strong political support. North Carolina's presenters agreed with Edie's comments and stated the potential national impact a few core programs can have. Wisconsin is involved with multiple agencies in doing a major media campaign to engage the public in this topic.

In summary, said co-facilitator Marci Young, it is important when thinking about different approaches and strategies for effective recruitment, retention, and compensation initiatives/systems, to keep the goals at the forefront of the process. For example, it is important to distinguish between efforts that offer a reward but that actually create a bigger financial burden, such as training that requires participants to pay to access the training, and efforts that allocate funds for participants' expenses, such as the T.E.A.C.H. Early Childhood Project. It is also important to make the distinction between an approach that offers a financial reward for work completed, such as many of the current stipend programs, and strategies that create a more solid infrastructure to produce systemic change similar to Washington's Career and Wage Ladder Pilot Project. Young concluded the call by sharing the Center for the Child Care Workforce's seven guiding principles when considering the development of an effective workplace initiative (see page 9).

For additional information about any of the state initiatives discussed during this audioconference, please contact the National Child Care Information Center at 800-616-2242.

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Principles for States in Developing Workforce Initiatives

(Excerpted from the Center for the Child Care Workforce Web site, <http://www.ccw.org>)

1. What is the intent of the initiative? Is the goal to specifically increase compensation or develop a career ladder? How will the achievement of the goals improve the overall conditions of child care jobs?
2. How are wages increased — as a one-time bonus, or as a raise in salary? What is the "real" value of the increase in terms of making a meaningful change in caregivers' day-to-day financial circumstances? Do participants continue to experience salary increases, job improvements and career advancement opportunities over time?
3. Toward what population is the initiative focused — to newly trained, entry-level workers, or to already experienced, trained and educated workers? Is there a sole focus on recruiting and training new workers, without comparable attention to retaining workers after they are trained? To what

extent are resources directed toward rewarding those workers who have demonstrated a commitment to the field through years of experience, levels of education, and continued professional development

4. How comprehensive is the initiative as a strategy for improving all child care jobs? Will job improvements in one sector of the field inadvertently drive workers out of other sectors? In states that have implemented elementary school class size reduction, for example, the resulting teacher shortage has drawn many of the most experienced child care staff into better-paying school jobs. Nationwide, the ongoing federal effort to boost compensation in Head Start facilities is also luring many child care teachers to Head Start jobs, leaving child care centers struggling to hire and retain qualified staff.
5. Is there ongoing funding for the initiative? Is it dependent on one funding source, or does it integrate diverse sources, both public and private?
6. Are there advocacy measures structured within the initiative so that caregivers themselves are actively engaged in the ongoing process of change? What kinds of leadership opportunities are available to child care teachers and family child care providers to ensure that they are "at the table" for important policy discussions and decisions? Are there mechanisms to engage all stakeholders, including teachers and providers, directors, administrators, parents, representatives of advocacy organizations, and policy makers in decision-making processes?
7. How will the initiative be evaluated? How will its effectiveness be determined? Will there be different indicators of success for the varying stakeholders? Is there a process in place to modify the project, if necessary? If so, who is involved in those decisions and what is the process?